

103D CONGRESS
1ST SESSION

H. R. 890

AN ACT

To amend the Federal Deposit Insurance Act and the Federal Credit Union Act to improve the procedures for treating unclaimed insured deposits, and for other purposes.

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To amend the Federal Deposit Insurance Act and the Federal Credit Union Act to improve the procedures for treating unclaimed insured deposits, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Unclaimed Deposits
5 Amendments Act of 1993”.

6 **SEC. 2. AMENDMENTS RELATING TO TREATMENT OF UN-**
7 **CLAIMED DEPOSITS AT INSURED BANKS AND**
8 **SAVINGS ASSOCIATIONS.**

9 (a) IN GENERAL.—Subsection (e) of section 12 of the
10 Federal Deposit Insurance Act (12 U.S.C. 1822(e)) is
11 amended to read as follows:

1 “(e) DISPOSITION OF UNCLAIMED ACCOUNTS.—

2 “(1) CASH DISTRIBUTIONS.—

3 “(A) IN GENERAL.—If, in connection with
4 any cash distribution under section 11(f)(1) to
5 insured depositors at any insured depository in-
6 stitution, any depositor fails to claim such pay-
7 ment for the depositor’s insured deposit from
8 the Corporation before the later of—

9 “(i) the end of the 3-month period be-
10 ginning on the date on which the Corpora-
11 tion mailed a notice of the distribution to
12 the depositor at the last-known address for
13 the depositor on the books of the institu-
14 tion; and

15 “(ii) the end of the 18-month period
16 beginning on the date of the appointment
17 of a receiver for such institution,

18 the Corporation shall notify the appropriate
19 State and offer to transfer to the custody of
20 such State an amount equal to the insured de-
21 posit of such depositor at such institution for
22 disposition by such State in accordance with
23 any State law which provides for the disposition
24 of abandoned or unclaimed property in the
25 State.

1 “(B) DISPOSITION OF CLAIMS IF STATE
2 DOES NOT ACCEPT CUSTODY.—

3 “(i) AVAILABILITY TO DEPOSITOR.—If
4 the appropriate State does not accept the
5 custody of the amount of any insured de-
6 posit which the Corporation offers to
7 transfer under subparagraph (A), the Cor-
8 poration shall permit the depositor (on
9 whose behalf such transfer was offered) to
10 make a claim against the Corporation for
11 an amount equal to the insured deposit.

12 “(ii) TERMINATION OF CLAIM AT END
13 OF RECEIVERSHIP.—If a depositor de-
14 scribed in clause (i) fails to make a claim
15 under such clause for the amount of the
16 insured deposit of such depositor at the in-
17 sured depository institution before the ter-
18 mination of the receivership—

19 “(I) all rights of the depositor
20 against the Corporation with respect
21 to such insured deposit shall be
22 barred; and

23 “(II) notwithstanding any provi-
24 sion of State law, the insured deposit

1 shall become the property of the Cor-
2 poration.

3 “(C) DISPOSITION OF CLAIMS IF STATE
4 DOES ACCEPT CUSTODY.—If the appropriate
5 State does accept the custody of the amount of
6 any insured deposit which the Corporation of-
7 fers to transfer under subparagraph (A), all
8 rights of the depositor against the Corporation
9 with respect to such deposit shall be barred as
10 of the date of the transfer.

11 “(D) REVERSION TO CORPORATION AFTER
12 10 YEARS AND TERMINATION OF ALL CLAIMS OF
13 DEPOSITOR.—If an insured deposit is trans-
14 ferred to the custody of the appropriate State
15 and is not claimed by the depositor before the
16 end of the 10-year period beginning on the date
17 of the transfer—

18 “(i) the deposit shall be transferred
19 back to the Corporation;

20 “(ii) all rights of the depositor against
21 the State with respect to such insured de-
22 posit shall be barred as of the date of the
23 transfer to the Corporation; and

1 “(iii) notwithstanding any provision of
2 State law, the insured deposit shall become
3 the property of the Corporation.

4 “(2) TRANSFERRED DEPOSITS.—

5 “(A) IN GENERAL.—If the Corporation
6 satisfies the Corporation’s obligation under sec-
7 tion 11(f)(1) by making available to each de-
8 positor a transferred deposit in an insured de-
9 pository institution (including a new bank or
10 bridge bank), all rights of the depositor against
11 the Corporation with respect to the transferred
12 deposit shall be barred as of the date of the
13 transfer except to the extent otherwise provided
14 under subparagraph (B).

15 “(B) OFFER TO TRANSFER TO STATES.—
16 If any depositor fails to claim a transferred de-
17 posit from the insured depository institution to
18 which such transfer was made under section
19 11(f)(1) before the end of the 18-month period
20 beginning on the date of the deposit transfer to
21 such institution—

22 “(i) the institution shall transfer the
23 insured deposit back to the Corporation;

24 “(ii) the Corporation shall notify the
25 appropriate State and offer to transfer to

1 the custody of such State an amount equal
2 to the insured deposit of such depositor at
3 such institution for disposition by such
4 State in accordance with any State law
5 which provides for the disposition of aban-
6 doned or unclaimed property in the State;
7 and

8 “(iii) subparagraphs (B), (C), and (D)
9 of paragraph (1) shall apply with respect
10 to such deposit as of the date the Corpora-
11 tion notifies the appropriate State pursu-
12 ant to clause (ii).

13 “(3) APPROPRIATE STATE DEFINED.—For pur-
14 poses of this subsection, the term ‘appropriate State’
15 means, with respect to any insured deposit for which
16 a cash distribution or transferred deposit is made
17 available under section 11(f), the State whose laws
18 providing for the disposition of abandoned or un-
19 claimed property would have applied to such deposit
20 if no conservator or receiver had been appointed for
21 the depository institution (as of the date of the dis-
22 tribution or transfer).”.

23 (b) RETROACTIVE APPLICATION TO UNRESOLVED
24 CASES.—

1 (1) IN GENERAL.—Except as provided in para-
2 graph (2), the Federal Deposit Insurance Corpora-
3 tion and the Resolution Trust Corporation shall
4 make available to any qualifying depositor an
5 amount equal to the insured deposit or transferred
6 deposit for which the Corporation was liable under
7 section 11(f) of the Federal Deposit Insurance Act,
8 as in effect on the day before the date of the enact-
9 ment of this Act.

10 (2) EXCEPTION FOR CLOSED RECEIVER-
11 SHIPS.—The requirements of this subsection shall
12 not apply with respect to any insured deposit or
13 transferred deposit from an insured depository insti-
14 tution for which the Corporation has been appointed
15 receiver before the date of this Act's enactment if—

16 (A) the Corporation was appointed receiver
17 before January 1, 1989; or

18 (B) all stages of winding up the affairs of
19 the institution, or the liquidation of the institu-
20 tion, has been fully completed before the date of
21 the enactment of this Act, including the termi-
22 nation of any receivership, bridge bank, or new
23 bank or the termination of any conservatorship
24 established for any successor or resulting depos-

itory institution in connection with such resolution.

(3) DISPOSITION OF CLAIMS.—

(A) CLAIM BY QUALIFIED DEPOSITOR.—

The Corporation shall permit a qualifying depositor to make a claim against the Corporation for the amount referred to in paragraph (1).

(B) CONSEQUENCES OF FAILURE TO CLAIM.—If a qualifying depositor fails to make a claim under subparagraph (A) before the receivership for the insured depository institution in default is terminated—

(i) all rights of the qualifying depositor against the Corporation with respect to such claim shall be barred; and

(ii) notwithstanding any provision of State law, the amount shall become property of the Corporation.

(C) QUALIFYING DEPOSITORS HOLDING RECEIVERSHIP CERTIFICATES OR CLAIMS.—In the case of any qualifying depositor who has filed a claim with the Corporation as receiver for any amount which, by reason of this subsection, is eligible for payment under this sub-

1 section, the Corporation shall treat the claim as
2 a claim under subparagraph (A).

3 (4) SUBROGATION RIGHTS OF THE CORPORA-
4 TION.—To the extent the Corporation makes pay-
5 ments of amounts under this subsection, the Cor-
6 poration shall have the subrogation rights provided
7 in section 11(g) of the Federal Deposit Insurance
8 Act with respect to such payments.

9 (5) RELEASE OF DATA TO STATES.—The Cor-
10 poration shall provide, at the request of and for the
11 sole use of the appropriate State, the name and last-
12 known address of any depositor whose claim with re-
13 spect to an insured deposit at any insured depository
14 institution was extinguished pursuant to section
15 12(e) of the Federal Deposit Insurance Act after
16 December 31, 1988, and before the date of the en-
17 actment of this Act.

18 (6) DEFINITIONS.—For purposes of this sub-
19 section—

20 (A) CORPORATION.—The term “Corpora-
21 tion” means the Federal Deposit Insurance
22 Corporation or the Resolution Trust Corpora-
23 tion, as the case may be.

24 (B) QUALIFYING DEPOSITOR.—The term
25 “qualifying depositor” means a depositor who

1 did not receive payment of the depositor's in-
2 sured deposit or transferred deposit as a result
3 of the depositor's failure to claim the insured
4 deposit or to arrange to continue the trans-
5 ferred deposit, as the case may be, within the
6 18-month period described in section 12(e) of
7 the Federal Deposit Insurance Act, as in effect
8 on the day before the date of the enactment of
9 this Act.

10 **SEC. 3. AMENDMENTS RELATING TO TREATMENT OF UN-**
11 **CLAIMED DEPOSITS AT INSURED CREDIT**
12 **UNIONS.**

13 (a) IN GENERAL.—Section 207(o) of the Federal
14 Credit Union Act (12 U.S.C. 1787(o)) is amended to read
15 as follows:

16 “(o) DISPOSITION OF UNCLAIMED ACCOUNTS.—

17 “(1) CASH DISTRIBUTIONS.—

18 “(A) IN GENERAL.—If, in connection with
19 any cash distribution under subsection (d)(1) to
20 insured accountholders at any insured credit
21 union, any accountholder fails to claim such
22 payment for the accountholder's insured deposit
23 from the Board before the later of—

24 “(i) the end of the 4-month period be-
25 ginning on the date on which the Board

1 mailed a notice of the distribution to the
2 accountholder at the last-known address
3 for the accountholder on the books of the
4 credit union; and

5 “(ii) the end of the 18-month period
6 beginning on the date of the appointment
7 of a liquidating agent for such credit
8 union,

9 the Board shall notify the appropriate State
10 and offer to transfer to the custody of such
11 State an amount equal to the insured deposit of
12 such accountholder at such credit union for dis-
13 position by such State in accordance with any
14 State law which provides for the disposition of
15 abandoned or unclaimed property in the State.

16 “(B) DISPOSITION OF CLAIMS IF STATE
17 DOES NOT ACCEPT CUSTODY.—

18 “(i) AVAILABILITY TO ACCOUNT-
19 HOLDER.—If the appropriate State does
20 not accept the custody of the amount of
21 any insured deposit which the Board offers
22 to transfer under subparagraph (A), the
23 Board shall permit the accountholder (on
24 whose behalf such transfer was offered) to

1 make a claim against the Board for an
2 amount equal to the insured deposit.

3 “(ii) TERMINATION OF CLAIM AT END
4 OF LIQUIDATION.—If an accountholder de-
5 scribed in clause (i) fails to make a claim
6 under such clause for the amount of the
7 insured deposit of such accountholder at
8 the insured credit union before the liquida-
9 tion of the credit union is completed—

10 “(I) all rights of the
11 accountholder against the Board with
12 respect to such insured deposit shall
13 be barred; and

14 “(II) notwithstanding any provi-
15 sion of State law, the insured deposit
16 shall become the property of the
17 Board.

18 “(C) BAR ON CLAIMS AGAINST BOARD
19 WHILE STATE RETAINS CUSTODY OF INSURED
20 DEPOSIT.—If the appropriate State does accept
21 the custody of the amount of any insured de-
22 posit which the Board offers to transfer under
23 subparagraph (A), all rights of the
24 accountholder against the Board with respect to

1 such deposit shall be barred as of the date of
2 the transfer.

3 “(D) REVERSION TO BOARD AFTER 10
4 YEARS AND TERMINATION OF ALL CLAIMS OF
5 ACCOUNTHOLDER.—If an insured deposit is
6 transferred to the custody of the appropriate
7 State and is not claimed by the accountholder
8 before the end of the 10-year period beginning
9 on the date of the transfer—

10 “(i) the deposit shall be transferred
11 back to the Board;

12 “(ii) all rights of the accountholder
13 against the State with respect to such in-
14 sured deposit shall be barred as of the date
15 of the transfer to the Board; and

16 “(iii) notwithstanding any provision of
17 State law, the insured deposit shall become
18 the property of the Board.

19 “(2) TRANSFERRED DEPOSITS.—

20 “(A) IN GENERAL.—If the Board satisfies
21 the Board’s obligation under subsection (d)(1)
22 by making available to each accountholder a
23 transferred deposit in an insured credit union
24 (including a new credit union), all rights of the
25 accountholder against the Board with respect to

1 the transferred deposit shall be barred as of the
2 date of the transfer except to the extent other-
3 wise provided under subparagraph (B).

4 “(B) OFFER TO TRANSFER TO STATES.—

5 If any accountholder fails to claim a transferred
6 deposit from the insured credit union to which
7 such transfer was made under subsection (d)(1)
8 before the end of the 18-month period begin-
9 ning on the date of the deposit transfer to such
10 credit union—

11 “(i) the credit union shall transfer the
12 deposit back to the Board;

13 “(ii) the Board shall notify the appro-
14 priate State and offer to transfer to the
15 custody of such State an amount equal to
16 the insured deposit of such accountholder
17 at such credit union for disposition by such
18 State in accordance with any State law
19 which provides for the disposition of aban-
20 doned or unclaimed property in the State;
21 and

22 “(iii) subparagraphs (B), (C), and (D)
23 of paragraph (1) shall apply with respect
24 to such deposit as of the date the Board

1 notifies the appropriate State pursuant to
2 clause (ii).

3 “(3) APPROPRIATE STATE DEFINED.—For pur-
4 poses of this subsection, the term ‘appropriate State’
5 means, with respect to any insured deposit for which
6 a cash distribution or transferred deposit is made
7 available under subsection (d)(1), the State whose
8 laws providing for the disposition of abandoned or
9 unclaimed property would have applied to such de-
10 posit if no conservator or liquidating agent had been
11 appointed for the credit union (as of the date of the
12 distribution or transfer).”.

13 (b) RETROACTIVE APPLICATION TO UNRESOLVED
14 CASES.—

15 (1) IN GENERAL.—Except as provided in para-
16 graph (2), the National Credit Union Administration
17 Board shall make available to any qualifying deposi-
18 tor an amount equal to the insured deposit or trans-
19 ferred deposit for which the Board was liable under
20 section 207(d)(1) of the Federal Credit Union Act,
21 as in effect on the day before the date of the enact-
22 ment of this Act.

23 (2) EXCEPTION FOR CREDIT UNIONS FULLY
24 LIQUIDATED BEFORE DATE OF ENACTMENT.—The
25 requirements of this subsection shall not apply with

1 respect to any insured deposit or transferred deposit
2 from an insured credit union for which the Board
3 has been appointed liquidating agent before the date
4 of this Act's enactment if—

5 (A) the Board was appointed liquidating
6 agent before January 1, 1989; or

7 (B) the liquidation of the institution has
8 been fully completed before the date of the en-
9 actment of this Act.

10 (3) DISPOSITION OF CLAIMS.—

11 (A) CLAIM BY QUALIFIED DEPOSITOR.—
12 The Board shall permit a qualifying depositor
13 to make a claim against the Board for the
14 amount referred to in paragraph (1).

15 (B) CONSEQUENCES OF FAILURE TO
16 CLAIM.—If a qualifying depositor fails to make
17 a claim under subparagraph (A) before the
18 Board completes the liquidation of the insured
19 credit union—

20 “(i) all rights of the qualifying deposi-
21 tor against the Board with respect to such
22 claim shall be barred; and

23 “(ii) notwithstanding any provision of
24 State law, the amount shall become prop-
25 erty of the Board.

1 (C) QUALIFYING DEPOSITORS HOLDING
2 CERTIFICATES OR CLAIMS AGAINST AN INSURED
3 CREDIT UNION IN LIQUIDATION.—In the case of
4 any qualifying depositor who has filed a claim
5 with the Board as liquidating agent for any
6 amount which, by reason of this subsection, is
7 eligible for payment under this subsection, the
8 Board shall treat the claim as a claim under
9 subparagraph (A).

10 (4) SUBROGATION RIGHTS OF THE BOARD.—To
11 the extent the Board makes payments of amounts
12 under this subsection, the Board shall have the sub-
13 rogation rights provided in section 207(e) of the
14 Federal Credit Union Act with respect to such pay-
15 ments.

16 (5) RELEASE OF DATA TO STATES.—The Board
17 shall provide, at the request of and for the sole use
18 of the appropriate State, the name and last-known
19 address of any accountholder whose claim with re-
20 spect to an insured deposit at any insured credit
21 union was extinguished pursuant to section 12(e) of
22 the Federal Deposit Insurance Act after December
23 31, 1988, and before the date of the enactment of
24 this Act.

1 (6) DEFINITIONS.—For purposes of this sub-
2 section—

3 (A) BOARD.—The term “Board” means
4 the National Credit Union Administration
5 Board.

6 (B) QUALIFYING DEPOSITOR.—The term
7 “qualifying depositor” means an insured
8 accontholder who did not receive payment of
9 the accountholder’s insured deposit or trans-
10 ferred deposit as a result of the accountholder’s
11 failure to claim the insured deposit or to ar-
12 range to continue the transferred deposit, as
13 the case may be, within the 18-month period
14 described in section 207(o) of the Federal Cred-
15 it Union Act, as in effect on the day before the
16 date of the enactment of this Act.

Passed the House of Representatives March 2,
1993.

Attest:

Clerk.

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